

Charnwood Neighbourhood Housing Limited

Meeting of the Board of Directors
23rd February 2009 6:00pm – 9.00pm
Council Chamber, Town Hall



Attendees: Ann Watkinson
Peter Gardner
Neville Stork
Helen Isaac
Paul Day
Ian Montgomery (Vice Chair)
Cynthia Popley
Diane Horn
Zoe Wortley (Chair)
Marie Hannabuss (Vice Chair)
Roger Merchant

In Attendance: Ian Saville, Isobel Rickard, Maria Maltby, Chris Hewis, Steve Wilson, Louise Gough, Peter Field, Phil Brandum

Apologies Elizabeth Holland, Bill Cavender (Co-optee), Cllr Roy Brown, Cllr Kenneth Jones, Patrick Cole

Minutes

ITEM	Action
1) Welcome The Chair welcomed Peter Field, new Performance and Information Manager for CNH. Introductions were given by Board Members.	
2) Apologies for Absence Apologies for absence were received from Elizabeth Holland, Bill Cavender, Cllr Roy Brown, Cllr Kenneth Jones and Patrick Cole.	
3) Declarations of Interest No declarations of interest were received.	
4) Minutes of the Meeting held on 19th January 2009 The minutes were accepted as a true and accurate record. Two corrections were indicated by the Board and the changes will be made.	
5) Matters arising <ul style="list-style-type: none">• Tree Planting Scheme The scheme is currently under review due to the initial location now being deemed unsuitable.• Public Board Reports Report to be brought to March's meeting.• QL Report to be brought to March's meeting.• Garden Competition To be advertised in the summer edition of the CNH News, with judging taking place between 15th and 22nd June 2009. The winner of each category will receive £100 in Garden Centre Vouchers,	

with £50 to the runner-up. The judges will be a panel of CNH Board Members and residents.

● **Performance Assessment Day**

List of suggested dates were circulated but not one none were satisfactory. A new list of dates was circulated to the Board at the meeting and also via email. The Board was asked to send their chosen dates to Louise asap.

Resolved- 1) All Board Members to select their choice of dates and send back to Louise.

All

6) Delivery Plan Progress Report- Maria Maltby

Maria presented to the Board an update of the current status of the delivery plan and outlined progress for January 2009. This months report outlined the deliverables, issues and delays. Maria informed the Board that a number of areas reported were inaccurate and corrected these as she went through the report.

In summary the report showed that as at 31st January 2009 we were 84% complete.

Completions this month-

1. Promoting best ways to pay rent, including establishing how much cost to CNH for each method.
2. All new tenancies are now risked assessed prior to sign up to identify risks.
3. On 27th January 2009, Repairs and TP team jointly put on a DIY training for 6 residents and 1 Board Member (Ann Watkinson). This event will likely be held every 3 months.
4. Tenant database now sets out preferred methods of communication for each tenant plus additional information around support agencies.

A number of issues-

1. Extension of Direct Debits to weekly by the Council- delays due to the consultant needing 10 days to implement which was not scheduled. Tenants have been kept informed of the changes.
2. Ensuring that expenditure on communal areas matches recharges- jointly undertaken with CBC. CBC have now decided to make no change this year.
3. Slippage due to budgetary constraints- this has been reflected in the delivery plan and a recent budget setting exercise has taken place since the given report which means that some items will need to be carried over to next year.
4. QL IT System Asset Management Module_- as a temporary measure the Investment Team have designed there own system to store data of the housing stock.

Due to budgetary constraints some items will not be delivered. Which items are affected will be identified through the budget setting process.

Resolved- 1) The report was noted.

7) General Update- Verbally- Ian Saville

Ian outlined to the Board that there are few items to be raised under this agenda item.

1. HSBC Indemnity Agreement

CNH have been asked to agree to indemnity on which any losses/ claims as result of cheques being drawn we indemnity them against any losses. HSBC's mistake as this should have been agreed when the account was set up.

Resolved- 1) The Board approved the signing of the indemnity.

2. Liaison Meeting with CBC

Ian informed the Board that CBC had called a formal Liaison Meeting with CNH. The liaison meeting was called due to concerns in the following areas:

1. Voids- there have been a 10% increase and difficult to lets are also being included in the overall figure
2. Financial position- our current Management Fee is 9.35m and since September 08 we have been overspent mainly due to voids/ repairs. There is also pressure on cash flow. Since September 08 we have been asking for an advance each month on the Management Fee as we have no overdraft facility. We are also currently forecasting a potential year end loss of £137k. We have not however requested an advance for the month of March as we do not

require one. Remedial plans are in place for both areas but CBC are not seeing sufficient progress. Actions were agreed between CBC and CNH to decrease the problems as shown in the memo document circulated to the Board. We have been ask to apply the 4 week notice period to all properties irrespective of circumstance, difficult to lets are to be taken out of the calculation and shown separately and further repairs resources will be brought over to deal with voids.

Ian also informed the Board that the proposed 2009/10 Management Fee is £9.05M which is a reduction from last years £9.35M.

3. Meeting with Cllr representatives

A meeting also took place immediately after the liaison meeting with CBC. CBC called all Cllr representatives into a meeting and informed them that in their opinion CNH Board Directors are trading insolvency/ illegally and they were advised to take independent legal advice to protect themselves. Ian Saville stated that we hadn't been informed that this meeting was taking place.

Roger explained to the Board that the law state's all Directors have equal responsibility for running the company and are not allowed to knowingly continue trading when they are aware that the organisation is getting into further financial difficulty and debts may not be cleared if the organisation were to cease business. Roger went on to explain that CNH is a subsidiary of the Council and that CBC have provided a letter of financial support for the current financial year which ensures that no loss will be made to customers. The Board agreed that we need to clarify CBC's intentions and keep a tight control of the situation.

Zoe confirmed that legal advice was being sought and that this would be fed back to Board Members. She also reassured the Board by informing them that a meeting with Cllr Shepherd and Cllr Slater was already being arranged and a further meeting with Brian Hayes would be called to discuss this issue and the issue of next years budget,

Peter had discussed the current financial situation with Zoe following the last Board Meeting and suggested that a remedial plan be provided to Board Members. Zoe had agreed that this was required and requested that this be provided. Ian explained that it had not been possible to provide a specific plan for the Board but that a plan had been in place with CBC since September 08.

Resolved-

1) Ian Saville and Zoe to meet with Brian Hayes for clarification of the situation.

2) Legal advice to be sought

3) A date to be confirmed for the meeting between Zoe Wortley, Ian Saville, Cllr Shepherd and Cllr Slater.

IS/ZW

IS/ZW

8) Budget 2009/10 Presentation- Chris Hewis and Ian Saville

The Board was presented the budget position for 2009/10. Ian explained that the Budget would need to be agreed at the March Board Meeting. Two paper documents were circulated-

- 1. Growth Bids-** this document outlines within each area of CNH service where we would like to add new/ additional items and the costs. These totalled £317,970. In order to make further savings a budget setting exercise has taken place to highlight on the priority items. This has resulted in a saving of £38,100.
- 2. Budget 2009/10 –** the second document outlines to the Board the draft budget for 2009/10 highlighting the final budget column showing the saving on the Management Fee. Further savings need to be made for items on the growth list to take place as at the moment these are not built into the budget. The current draft also does not claw back any of the overspend from 2007/08 or the expected overspend form 20098/09. Savings have already been made via fleet contract, cut back on planned maintenance, reduction in sub contractors etc. Peter asked for more information/ options for the Board to consider at the next meeting.

A wide discussion took place amongst the Board about the difficulties this would cause and whether or not CBC could be encouraged to increase the proposed management fee. Zoe expressed concern as to the impact this would have on service delivery and the prospect of achieving a 2 star Audit Commission inspection. Ian explained that due to the desperate state of the HRA it is unlikely that CBC would choose to increase the management fee as they are

prioritising building the HRA reserves. Zoe did however state that this issue would be raised with Brian Hayes and that if there were unable to increase the Management Fee then we would have to be very honest with them about the level of service that could be provided within that budget and the likely impact this would have on a 2 star inspection.

Ian also informed the Board that a discussion would also be had with Ann Bennett of the Audit Commission once we had a clearer idea of the impact on service delivery.

- Resolved-1) List of options on savings to be brought to the next Board Meeting.**
2) All Board Members to be given immediate feedback on meetings with the Council.

**CH/IS/
ZW**

Confidential Items

9) Minutes of the Remuneration Sub Committee 13th November 2008- Zoe

Minutes taken separately.

10) Car Allowances Review (part of the Executive Review Process) Zoe

Minutes taken separately.

11) Performance Related Pay Framework – Zoe

Minutes taken separately.

12) Date of Next Meeting

30th March 2009, Committee Room 3, Council Offices, 6pm